



WEEKLY REPORT

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LAWMAKERS MOVE FORWARD WITH LEGISLATION IMPACTING MISSOURI'S SENIOR CITIZENS

As the Missouri General Assembly prepared to adjourn for its annual Spring Break, lawmakers were negotiating the final passage of legislation that would offer senior citizens protection from skyrocketing property taxes.

The Homestead Preservation Act, Senate Bill 730, would allow senior citizens and those who are disabled to obtain a credit against their property taxes that exceed a certain amount – estimated at around 5 percent. The credit for an excessive increase would then be applied against the taxes paid in the following year.

Assessors would be required to forward all information on applicants for the homestead credit to the Department of Revenue (DOR) by Oct. 31. Then the DOR would certify to the collectors and clerks a list of those applicants in their area who meet the requirements of the homestead preservation credit.

Each January, the Missouri General Assembly would file an appropriation bill to fund the homestead exemption.

In October or November when county collectors send a current year tax bill, for all those eligible there would a homestead credit from the prior year listed on the bill and applied against the current bill.

SB 730 was passed in the Senate on Feb. 24, and sent to the House of Representatives where some changes were made. A conference committee made up of Senate and House members was attempting to work out the differences.

In some parts of Missouri, property tax bills can rise as much as 30 to 40 percent each assessment period. For senior citizens living on a fixed income, such a raise can be a real tragedy. No senior citizen should be forced to give up their house due to property taxes, that's

why Senate and House members will continue to reconcile any differences in the bill when we return from Spring Break.

In related news, the Senate this week gave first-round approval to Senate Bill 1371, which closes the drug benefit coverage gap that was created due to the enactment of the Medicare Act of 2003.

Under this bill, the Missouri Senior Prescription Drug Plan would be created within the Department of Health and Senior Services. This program would provide assistance with prescription medication costs for qualifying senior citizens that fall under the gap in the standard drug benefits coverage in the federal Medicare Act of 2003.

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While praising long awaited federal action to bring drug benefits to qualifying seniors, advocates for the elderly criticized the federal program because it contains a gap in which many seniors would not qualify for coverage.

This proposal, beginning with the implementation of the federal program in January 2006, would fill that gap. It provides the standard payment of up to \$2,850 to pay 75 percent of qualifying prescription costs of eligible individuals whose income is within 150 percent to 200 percent of the federal poverty level, or whose income is 150 percent below the federal poverty level and who fail the assets test.

Applications for the program would be conducted jointly with applications for the federal benefits. The commission created by the legislation would verify the eligibility of applicants for the program.

This program will replace the Missouri SeniorRx Program, created by the Legislature several years ago to help older citizens with prescription medication costs. The legislation passed at that time specified that if the federal government established a program, the state program could be used only to help those not covered by the federal program.

After a final vote in the Senate, this bill will be sent to the House for consideration.

The General Assembly has adjourned for its annual Spring Break, and will convene again at 3 p.m. on March 29.

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